



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

December 1, 2009

Debbie Gonzales, HR Manager  
McLellan Industries, Inc.  
13221 Crown Avenue  
Hanford CA 93230

Dear Ms Gonzales:

RE: **FINAL MONITORING VISIT REPORT** for McLellan Industries, Inc. **ET07-0367**

<b>Date of the Visit:</b>	05/13/09
<b>Beginning/Ending Time:</b>	10:00 a.m. – 12:00 p.m.
<b>Date of Last Visit:</b>	09/26/08
<b>Visit Location:</b>	Hanford
<b>Persons in attendance:</b>	Debbie Gonzales, McLellan Industries (MI), Michael Jester, Strategic Solutions; Contractor Rep, Julio Basquez, ETP Analyst
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	05/07/07 – 05/07/09	<b>Agreement Amount:</b>	\$214,200
<b>Training Start Date:</b>	05/08/07	<b>No. to Retain:</b>	140
<b>Date Training must be Completed:</b>	02/06/09	<b>Range of Hours:</b>	24 – 140
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	85

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ETP (04/15/05)

**FINAL REPORT SUMMARY:**

• **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 05/05/07 and training began on 5/08/07. Your staff reported that all training was completed on 2/6/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – 5/06/09.

• **INTERVIEW WITH THE SIGNATORY, Ms. Gonzales, TITLE**

*Include the following questions in this section:*

- What barriers, if any, did your company experience in implementing your ETP project? [According to Ms. Gonzales they did not experience any barriers.](#)
- What problems, if any, did your company experience with ETP record keeping? [One point MI wanted to make was if a roster number is already used, the system should flag the data entry person that roster number was already in use.](#)
- What assistance could ETP have provided that would improve the process for future Contractors? [Come out more to the facility \(every 3 months\) and monitor more during the beginning of the contract where help is needed more.](#)
- How did your company benefit from the ETP training? [Cross Training and Retention are the biggest benefits from the ETP funded training. .](#)

Records show that 77 trainees have completed training and 77 trainees have completed the 90 day retention period. The Contractor projects earnings to be \$145,694 (68% of the encumbered total \$214,200). Mr. Basquez reminded Mr. Jester that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

<b>Trainees Started Training:</b>	102	<b>Completed Retention:</b>	77
<b>Dropped Following Enrollment:</b>	3	<b>In Retention Period:</b>	0
<b>Completed Minimum Hours for reimbursement:</b>	77		
<b>Completed Training:</b>	77		

### **ATTENDANCE ROSTERS:**

During the review of the rosters Mr. Basquez discovered the following issues and reminded Mr. Jester the importance of making sure the issues were corrected as soon as possible:

- After comparing ETP on line tracking documents against the rosters at the contractor's facility; Mr. Basquez discovered trainee James Barton was not on Roster 218 & 292 as was submitted on line and will need to be removed by contractor.
- After comparing ETP on line tracking documents against the rosters at the contractor's facility; Mr. Basquez discovered trainee Billy Brown will need to be deleted from roster 389 date 10/2/08
- After comparing ETP on line tracking documents against the rosters at the contractor's facility; Mr. Basquez discovered rosters 398 -424 were missing from the Contractor's binder.
- Mr. Basquez reminded Mr. Jester this was a final monitoring visit and he will have until the final close out to correct the findings

Mr. Basquez reviewed the rosters for 10 percent of the trainees and the issues stated above were found. Mr. Jester assured Mr. Basquez the issues would be corrected before submitting the final invoice. In a follow up conversation with Mr. Jester via telephone; Mr. Basquez was assured the above items were corrected before submitting the final invoice.

### **AUDIT:**

MI will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

### **RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Julio Basquez at (916) 327-5275 or at [Jbasquez@ETP.CA.GOV](mailto:Jbasquez@ETP.CA.GOV) , within ten (10) working days from the receipt of date of this letter.

Sincerely,



Rosa Hernandez, Manager  
Sacramento Regional Office



Julio Basquez, Contract Analyst  
Sacramento Regional Office

cc: Michael Jester, Strategic Solutions  
David Guzman, Chief, Program Operations Division  
Kulbir Mayall, Manager, Fiscal and Certification  
Master File  
Project File

Date report mailed to Contractor           \*\*